

STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

Illinois Commerce Commission	:	
On Its Own Motion	:	
-vs-	:	
Ameren Illinois Company d/b/a Ameren	:	
Illinois, Commonwealth Edison Company,	:	
The Peoples Gas Light and Coke Company,	:	16-0171
North Shore Gas Company, and Northern	:	
Illinois Gas Company d/b/a Nicor Gas	:	
Company	:	
	:	
Approval of the Illinois Statewide Technical	:	
Reference Manual for Energy Efficiency.	:	

ORDER

By the Commission:

I. Background

On recommendation of a Staff Report from the Illinois Commerce Commission's ("Commission") Policy Division dated February 22, 2016, the Commission issued an Order to initiate a proceeding to consider approval of the fourth annual update to the Illinois Statewide Technical Reference Manual for Energy Efficiency ("IL-TRM") on March 9, 2016. Pursuant to that Initiating Order, Ameren Illinois Company d/b/a Ameren Illinois, Commonwealth Edison Company, The Peoples Gas Light and Coke Company and North Shore Gas Company, and Northern Illinois Gas Company d/b/a Nicor Gas Company (collectively, the "Utilities") were made respondents and notice of this proceeding was served on the Illinois Department of Commerce and Economic Opportunity ("Department"). Collectively, the Utilities and the Department are known as the "Program Administrators."

The purpose of the IL-TRM is to provide a transparent and consistent basis for calculating energy (electric kilowatt-hours or natural gas therms) and capacity (electric kilowatts) savings generated by the State of Illinois' energy efficiency programs, which are administered by the Program Administrators. Consistent with past practice of the Commission, the IL-TRM is applicable to energy efficiency programs under Section 8-103, 8-104, and 16-111.5B of the Illinois Public Utilities Act (the "Act"), 220 ILCS 5/1-101 *et seq.*

Under the provisions of the TRM Policy Document, approved in Docket No. 13-0077, the IL-TRM shall be updated annually to keep pace with the dynamic technology and markets in order to maintain reliable savings estimates and avoid obsolescence.

Prior to the initiation of this proceeding, the Commission approved four versions of the IL-TRM.

Pursuant to Commission order, the Utilities, Department, Staff, and interested stakeholders participated in the update process for the fifth IL-TRM. The updated IL-TRM under review in this proceeding is embodied in the Illinois Statewide Technical Reference Manual for Energy Efficiency Version 5.0, Volumes 1 through 4, dated February 11, 2016 (collectively, "IL-TRM Version 5.0"), with an effective date of June 1, 2016. The Commission's Initiating Order made the IL-TRM Version 5.0 a part of the record of this proceeding. Initiating Order at 5. The IL-TRM Version 5.0 and an accompanying Staff Report were posted to e-Docket on March 10, 2016.

In accordance with the schedule set forth in the Initiating Order, Staff filed the Verified Comments of Jennifer H. Morris on March 15, 2016. The Respondents and Intervenor were given leave to file Responses to Staff's Verified Comments by March 30, 2016. No party filed a response. A hearing was held by the Administrative Law Judge on April 5, 2016, at the Commission's offices in Chicago. At the hearing, Staff's Verified Comments were admitted into evidence and the record was closed.

II. Statutory Authority

Section 8-103 of the Act requires electric utilities and the Department to use cost-effective energy efficiency and demand-response programs and measures to reduce delivery load. 220 ILCS 5/8-103. Section 8-103 also allows for the recovery of costs for reasonable and prudent expenses incurred in implementing these energy efficiency programs and measures. 220 ILCS 5/8-103(e). The Commission has the authority to review and approve each utility's filing and implementation of an energy efficiency and demand-response plan. 220 ILCS 5/8-103(e), (f).

Section 8-104 of the Act requires natural gas utilities and the Department to use cost-effective energy efficiency programs and measures to reduce direct and indirect costs to consumers. 220 ILCS 5/8-104. Section 8-104 also allows for the recovery of costs for reasonable and prudent expenses incurred in implementing these energy efficiency programs and measures. 220 ILCS 5/8-104(e). The Commission has the authority to review and approve each utility's filing and implementation of an energy efficiency plan. 220 ILCS 5/8-104(e), (f).

Section 16-111.5B of the Act requires electric utilities to provide to the Illinois Power Agency ("IPA") an assessment of cost-effective energy efficiency programs or measures that could be included in the IPA's procurement plan. 220 ILCS 5/16-111.5B(a)(3). The Commission has the authority to approve the procurement plan, including energy efficiency programs and measures included within the plan. 220 ILCS 5/16-111.5B(a)(5).

III. Staff Position

Ms. Morris states that the IL-TRM Version 5.0 attached to the Staff Report filed in this

docket was produced using the Commission-mandated collaboration process within the Stakeholder Advisory Group ("SAG"). Staff Verified Comments at 2. The Staff Report explains that the TRM Administrator developed the IL-TRM Version 5.0 with substantial input from interested SAG participants. Staff Report at 1. The collaborative update process for the development of the IL-TRM Version 5.0 involved multiple structured opportunities for stakeholder review and comment, in addition to over 50 meetings with interested stakeholders to discuss details regarding the various IL-TRM updates. Staff Report at 4. Staff understands that the IL-TRM Version 5.0 reflects consensus agreements reached between and among all interested SAG participants and stakeholders through discussions at the SAG meetings, TRM Technical Advisory Committee meetings, and the Illinois Net-to-Gross ("NTG") Working Group meetings that comprised this year's IL-TRM Update Process. *Id.* at 5.

The IL-TRM is divided into separate volumes as follows: Volume 1: Overview and User Guide; Volume 2: Commercial and Industrial Measures; Volume 3: Residential Measures; and Volume 4: Cross-Cutting Measures and Attachments. This update to the IL-TRM encompasses 97 energy efficiency measure-level changes, including the addition of 11 new measures to the manual. The Illinois Statewide Net-to-Gross Methodologies ("IL-NTG Methods") included in Volume 4 of the IL-TRM has been expanded to cover IL-NTG Methods for most Illinois energy efficiency program types. Staff Report at 5. A high-level summary of all revisions can be found in Volume 1 of the IL-TRM Version 5.0. Staff Report at 5. Staff recommends that the Commission approve and adopt the updates contained in the IL-TRM Version 5.0. Staff Verified Comments at 2.

IV. Commission Analysis and Conclusion

The Staff Report filed in this docket attaches the IL-TRM Version 5.0, which provides a transparent and consistent basis for calculating energy and capacity savings generated by the State of Illinois' energy efficiency programs. The Commission appreciates the efforts of the participants in collaborating to produce the update to this comprehensive aid. The Commission has broad legal authority under Sections 8-103, 8-104, and 16-111.5B of the Act to determine whether the IL-TRM Version 5.0 filed in this docket is in compliance with Commission Orders. The Commission agrees with Staff that the IL-TRM Version 5.0 filed in this docket is a consensus document, developed consistent with the past Commission orders and the previously adopted TRM Policy Document. The Commission hereby approves and adopts the IL-TRM Version 5.0, Volumes 1 through 4, dated February 11, 2016. Pursuant to its own terms, the IL-TRM Version 5.0 is effective beginning June 1, 2016. Furthermore, all NTG data collection and analysis activities for the energy efficiency program types covered by the IL-NTG Methods component of the IL-TRM Version 5.0 that start after the effective date, June 1, 2016, shall conform to the NTG methodologies and procedures set forth therein.

V. Findings and Ordering Paragraphs

The Commission, being fully advised in the premises, is of the opinion and finds that:

- (1) the Commission has jurisdiction over the subject matter and the parties in this proceeding;
- (2) the recitals of fact set forth in the prefatory portion of this Order are supported by the record and are hereby adopted as findings of fact; and
- (3) the Illinois Statewide Technical Reference Manual for Energy Efficiency Version 5.0, Volumes 1 through 4, dated February 11, 2016, is approved and adopted, and shall be effective beginning June 1, 2016.

IT IS THEREFORE ORDERED by the Illinois Commerce Commission that the Illinois Statewide Technical Reference Manual for Energy Efficiency Version 5.0, Volumes 1 through 4, dated February 11, 2016, as filed in this docket, is approved and adopted, and shall be effective beginning June 1, 2016.

IT IS FURTHER ORDERED that all motions, petitions, objections and other matters in this proceeding that remain unresolved are hereby disposed of in a manner consistent with the conclusions herein.

IT IS FURTHER ORDERED that, subject to the provisions of Section 10-113 of the Public Utilities Act and 83 Illinois Administrative Code 200.880, this Order is final; it is not subject to the Administrative Review Law.

By Order of the Commission this 10th day of May, 2016.

(SIGNED) BRIEN SHEAHAN

Chairman